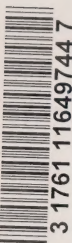


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RESOURCE PLANNING
AND
PERFORMANCE REVIEW
IN THE
MINISTRY OF REVENUE

Integrated
Zero Base Budgeting
and
Managing by Results
for
1980-81



Ontario

Ministry
of
Revenue

Lorne Maeck
Minister
T.M. Russell
Deputy Minister

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RESOURCE PLANNING
AND
PERFORMANCE REVIEW
IN THE
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*Integrated
Zero Base Budgeting
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SEPTEMBER, 1979



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S U M M A R Y

In 1975 the Ministry of Revenue introduced its first Managing by Results system. The following year MBR was extended to provide the capability to monitor in-year program performance against stated objectives for all of the Ministry's operations.

By 1977 the Government's constraint program had been in operation for two years. The prospect of continued flat-lined budgets in the face of increasing workloads and operating costs made it clear that under constraint it was not just a matter of "doing with less but rather of doing better with less continuously". This in turn made further improvements in Ministry resource planning and management imperative.

Consequently, in 1978/79 the Ministry introduced Zero Base Budgeting, by which resources were rationed among competing programs in terms of explicit evaluation of relative priorities and funding benefits. Based on this experience a more sophisticated system was introduced in 1979/80. Also, in that year steps were taken to co-ordinate ZBB and MBR to provide a continuous program planning process.

The manual for 1980/81 carries this developmental process one stage further by the amalgamation of ZBB and MBR into one fully integrated system. This new manual is a combined guide to both ZBB Estimates planning and the MBR performance reporting components of the Ministry's overall resource planning and review system for 1980/81 and describes the sequential nature and interrelation of the two components.

Finally, the development and integration of ZBB-MBR systems has placed a parallel emphasis on the need for improved information and support systems, a series of which have now been designed and implemented in computerized form. These systems relate to the mechanisation of the ranking process, CSC calculation, salary forecasting, expenditure calendarisation and variance analysis. Information concerning these systems is available from the Finance and Priorities Planning Group.

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I. INTRODUCTION

During the past several years, Ministry managers have developed a results-oriented management system embracing the components of planning, control and evaluation. The planning phase of the system employs Zero Base Budgeting techniques to define and quantify realistic targets consistent with the resources allocated to program activities. Control and evaluation features involve a Managing By Results approach to monitoring ZBB decisions, reporting results, evaluating programs and taking necessary action.

In 1980/81, the Ministry's resource planning and review procedures will be further refined and integrated into one overall system. The following are the highlights.

- A combined manual will provide managers with a guide for planning the 1980/81 Estimates and for reporting subsequent performance compared to plan.
- There will be an increased emphasis on analysis and evaluation of functional structures, historical trends, quantified data and proposed changes to support the ranking of priorities, decision-making and review of results.
- Preplanning of branch ZBB and MBR structures in consultation with a Finance and Priorities Planning Group analyst will ensure consistency with previous years and a logical connection with the data and trends established in earlier plans and reporting systems.
- Increased attention will be given to the alignment of decision units and MBR centres within the branch organization structure so that resource planning responsibilities are directly matched with accountability for results.
- A timetable will be published for all ZBB and MBR steps and checkpoints to facilitate the flow and exchange of information and promote timely decision making.

This year managers will be familiar with the ZBB/MBR working process because it is similar to last year. The procedures are set out in the sections which follow. Section II gives the action schedule for planning and monitoring resource usage and performance during 1980/81. Sections III and IV then describe each step in the overall action timetable. All the forms required are exhibited in Section V. Finally, Section VI provides appendices on result indicator definitions and the Ministry's 1979/80 ZBB/MBR structure.

II. ACTION SCHEDULE FOR 1980/81 RESOURCE PLANNING AND PERFORMANCE REVIEW

This section of the manual sets out in tabular form the actions which managers will perform in planning their resource usage for 1980/81 and in assessing the resulting performance. The action schedule is referenced to the ZBB/MBR procedural steps and documentation which are described in detail in the following Sections III and IV.

<u>MONTH</u>	<u>ACTION</u>	<u>ZBB/MBR STEP</u>	<u>DOCUMENTATION</u>
Sept. 1979	Branch and decision unit managers preplan ZBB functions and outputs of decision units and the number of service levels with the F. & P.P.G.	<ul style="list-style-type: none"> • Decision unit identification • Decision unit functions and outputs • Planning of service levels 	<ul style="list-style-type: none"> • ZBB Plan & Summary, Form ZBB 1, headed up for each decision unit. • Functions and outputs described in the preplanning section of Form ZBB 1. • "X" is displayed in the decision package columns of Form ZBB 1.
Oct. 1979	Decision unit managers construct a hierarchy of decision packages or service levels for their units.	<ul style="list-style-type: none"> • Documentation of decision packages 	<ul style="list-style-type: none"> • Decision Package Worksheet, Form ZBB 2, completed for each decision package or service level planned and all worksheets summarized on Form ZBB 1.
Oct. 1979	Branch managers rank decision packages proposed by decision units.	<ul style="list-style-type: none"> • Ranking of decision packages 	<ul style="list-style-type: none"> • Decision Package Ranking Sheet, Form ZBB 3 completed for branch after summaries and worksheets received from decision units.

<u>MONTH</u>	<u>ACTION</u>	<u>ZBB/MBR STEP</u>	<u>DOCUMENTATION</u>
Oct. 1979	Division heads rank decision packages submitted by branches and adjust prior branch and decision unit ranking if necessary.	● Ranking of decision packages	● Decision Package Ranking Sheet completed for division.
Nov. 1979	The Ministry resource allocation is fitted to Ministry and divisional ranking of decision packages.	● Fitting resource allocations to Ministry and division priorities	● Budget line drawn on Ministry and division Ranking Sheets to determine division and branch allocations and the decision packages to be funded.
Nov. 1979	Resource allocations are fitted to branch ranking of decision packages.	● Fitting resource allocations to branch priorities	● Budget line drawn on branch Decision Package Ranking Sheet to determine decision packages to be funded.
Dec. 1979	Manpower associated with funded packages is checked to available Classified Structure Ceiling.	-	● The F. & P.P.G. identifies the C.S.C. associated with funded decision packages and confirms the viability of the staffing plan.
Dec. 1979	Resource allocations by branch are submitted to Management Board for review	-	● 1980/81 Estimates submission forms are completed by the F. & P.P.G.

Following completion of ZBB planning, branch and decision unit managers preplan MBR systems with the F. & P.P.G. and prepare their 1980/81 MBR plan proposal from the following actions:

Jan. 1980	MBR reporting centres are identified from ZBB documentation.	● Development of MBR centres from ZBB decision units	● 1980/81 MBR Plan & Report form headed up for each reporting centre.
Jan. 1980	Indicators based on ZBB outputs are selected which will best show results achieved.	● Definition of MBR centre result indicators	● 1980/81 MBR Plan & Report form.

<u>MONTH</u>	<u>ACTION</u>	<u>ZBB/MBR STEP</u>	<u>DOCUMENTATION</u>
Jan. 1980	Branch managers determine data and frequency of result reporting from decision units.	● MBR within the branch	● 1980/81 MBR Plan & Report form.
Jan. 1980	Branch managers ensure that resource expenditure and output measuring systems are established to provide data on result commitments for each ZBB decision unit and corresponding MBR centre.	-	● F.D.B.S./A.S.N. structure is designed for resource expenditures and branch and divisional systems are prescribed for result data.
Feb. 1980	Branch managers select limited array of key indicators of branch performance for reporting to division and Ministry management.	● Selection of indicators for branch-level reporting	● 1980/81 MBR Plan & Report form.
Feb. 1980	Managers document the 1980/81 MBR plan and reporting format which is proposed for the branch.	● Documentation of the annual plan and reporting format	● 1980/81 MBR Plan & Report form is completed for: Annual Plan Reporting Format.
Mar. 1980	Ministry management approves the documented MBR proposals submitted by branch managers through the F. & P.P.G.	-	● Approval of MBR Plan & Report proposals submitted.

Subsequent to the above actions, approved MBR plans are submitted to Management Board in summary or "abstract" form in line with Government policy. Throughout 1980/81 internal MBR reports are made by branches on the 1980/81 Plan & Report form in accordance with agreed schedules. Also, MBR data is used throughout the year in MB-20 submissions or on special documentation in response to specific requests from Management Board. Then in May, 1981, the final 1980/81 year-end MBR report is made to Management Board on Ministry performance for the year compared with the previously submitted MBR "abstracts".

III. 1980/81 ZBB STEPS

This section describes each of the ZBB steps involved with the Ministry's 1980/81 resource planning and review system.

1. Decision Unit Identification

In order to apply ZBB techniques to resource planning, it is necessary to divide each branch, office, group and project into its various basic operating units which in ZBB terminology are defined as decision units.

The first ZBB step requires managers of branches shown separately in the Ministry's Printed Estimates to identify one or more decision units which account for all the functional responsibilities of the branch. For ZBB purposes the Minister's Office, the Deputy Minister's Office and the Office of the Executive Director, Support Services are considered to be branches although they are not shown separately in the Printed Estimates. Each decision unit identified will plan resource allocations and will subsequently report performance against plan through MBR systems.

In this step it may be helpful for managers to consider the following characteristics of a ZBB decision unit.

- It is an organizational subdivision of the branch.
- Usually, it is managed by a supervisor or section head who is responsible and accountable for the resource budget and output commitments of the unit and has some flexibility in choosing between various funding and output levels of functional operation.
- It will align with a MBR centre for 1980/81.

Appendix B in Section VI presents the existing Ministry structure of branch decision units and MBR centres. Managers should refer to Appendix B before establishing a comparable 1980/81 structure of branch decision units.

A branch manager documents the completion of this first ZBB step by heading up a 1980/81 ZBB Plan & Summary, Form ZBB 1, with the name of each decision unit identified for the branch.

2. Decision Unit Functions and Result Indicators

In the second ZBB step, the head of each decision unit within the branch identifies the current and ongoing functions for which the unit is responsible and the additional functions for which the unit might be responsible if new initiatives were undertaken.

A function is an operation or project carried out by the decision unit. Therefore, the functions describe what a decision unit does and what its responsibilities and objectives are.

The decision unit manager will describe the unit's functions in the preplanning section of the 1980/81 ZBB Plan & Summary form under Functions.

Once the functions have been described the unit manager will define at least one result indicator or output measure for each function which the unit performs. Refer to Appendix A in Section VI for a definition of result indicators.

The decision unit manager will document the result indicators for each function in the preplanning section of the Form ZBB 1 under Outputs.

3. Planning of Service Levels

Having defined the functions of the decision unit and the result indicators by which output levels are measured, the decision unit manager is now prepared to plan the levels of service and output for 1980/81 and the resources required for operation. Planning of service levels is probably the most important step in the ZBB process because it provides the decision unit manager with the opportunity of presenting convincing arguments for the operation of the decision unit at various service levels, both above and below current operations. By providing real options related to output and funding levels for branch, division and Ministry decision-making, the decision unit manager enhances the competitive position of the unit in its demands for a share of the scarce resources available.

Service levels of decision units are described in terms of a single basic decision package plus a number of incremental decision packages.

Each decision package may be multi-functional, that is, it may relate to one or a number of functions. This concept of the multi-functional decision package provides managers with a high degree of flexibility in planning operating levels while requiring only a modest number of decision packages to be documented.

The basic or minimum level decision package is of a size in terms of the outputs and costs of the functions performed below which it would be impractical to operate the decision unit at all.

All decision packages other than the basic package are incremental in nature adding output to functions already performed or adding new functions for the first time.

By creating a hierarchy of decision packages made up of a basic package and a number of incremental packages a decision unit can define a range of service levels at which it is able to operate and so provide options for decision-making.

Project or development functions may be described in separate decision packages so as not to mix them with operational functions.

Service level planning by the decision unit manager will be governed by the following requirements and guidelines for the 1980/81 ZBB process.

- The basic or minimum level package will be of a size (in terms of functional performance, output and resource cost) below which operation of the decision unit would not be viable.
- Either a basic level package alone, or the basic package plus one or more incremental packages must aggregate to a resource cost equal to 80% of the decision unit's 1979/80 Estimates.
- The basic level package plus a number of incremental packages must be prepared to represent the functional performance and outputs which can be purchased with 100% of the 1979/80 Estimates for the decision unit.
- At least three decision packages must be prepared for each decision unit.
- Decision unit managers are encouraged to prepare one or more decision packages beyond the current (100%) level where appropriate.
- Generally, no decision package should be designed with resources less than 1 man year and \$ 25,000 in total expenditure.

To document the decision package structure planned for the decision unit, the manager will use the same 1980/81 ZBB Plan & Summary form which was used in step 2 to document functions and outputs.

Since service level planning involves a consideration of the size of decision packages in terms of resource costs, the manager will find it useful to record the unit's total 1979/80 resource budget in man years and expenditure in the heavily bordered Unit Totals blocks on Form ZBB 1. These totals will provide a guide to the number of decision packages required to present a true hierarchy of decision packages for the unit and a reasonable number of funding options.

The decision package structure planned for the decision unit is documented on Form ZBB 1 by displaying "X" in the package columns DP1, DP2, DP3, etc., opposite the function described in step 2, if that function or any increment to it is to be performed in the decision package.

After its use in step 3, Form ZBB 1 ceases to serve as a planning form and will in the next step be used to summarize the documentation of decision packages.

4. Documentation of Decision Packages

In this ZBB step the decision unit manager prepares the detail of each decision package which was planned in step 3. The manager will use a 1980/81 ZBB Decision Package Worksheet, Form ZBB 2, to document each package which makes up the hierarchy of packages proposed for the unit.

While the worksheet is essentially self explanatory, the following notes highlight various points which may be of assistance to managers.

- Decision unit name and decision package identification by number are the same as those displayed on the ZBB Plan & Summary form.
- Decision package level refers to a word description of the package, i.e., Basic, Increment to 80%, Increment to Current, New Initiative, Development Project, etc.
- The outputs or result indicators for the functions of the decision package include those which were preplanned on the ZBB Plan & Summary form. (Refer again to Appendix A). It is most important to quantify each indicator so that the operating and project benefits can be adequately assessed and the package ranked properly in the hierarchy. All quantities relate only to the subject decision package.

- Manpower and expenditure costs of the package are detailed under the items shown. Use current salary rates when calculating salaries and provide for benefits at 17.7% of salaries. Provide for other expenditure items at anticipated 1980/81 cost levels. The annual man year needs and annual cost figures are annualizations of the resources required for the package in 1980/81. All figures relate only to the subject package.
- Classified salary detail is required on the reverse side of the form. This information is important in identifying the Classified Structure Ceiling associated with the decision package. The classified salary cost shown in this section is the expected actual cost to be paid at current salary rates. The expenditure section on the front of the form will include these costs plus any classified overtime to be paid.
- It is essential that information on each decision package regarding alternatives, consequences of elimination, technical changes and related decision units be provided to fully describe the contribution of the decision package. Consideration of alternatives and technical changes may suggest efficiency improvements and a statement of the consequences of elimination often affects ranking and funding decisions.

Once all Decision Package Worksheets have been completed they are attached to a new ZBB Plan & Summary form which is used to summarize the functions, outputs and resources of all the documented decision packages. The summary form and the decision packages are transmitted from the decision unit for review and ranking by branch and division managers.

At this time the ZBB Plan & Summary form used in steps 1, 2 and 3 as a preplanning document can be discarded.

5. Ranking of Decision Packages

When the manager or supervisor of a decision unit submits Decision Package Worksheets and a Plan & Summary form for review and ranking by the branch manager, the decision packages will be automatically ranked in priority order. For example:

- DP 1 - for basic or minimum level
- DP 2 - increment to reach 80% of 1979/80 Estimates
- DP 3 - increment to reach current level
- DP 4 - increment for improvement or new initiative
- DP 5 - increment for improvement or new initiative
- etc. - additional increments for new initiatives

In order to prioritize all the decision packages from all the decision units of a branch for the identification of alternative levels of operation and funding, a process of branch level ranking is carried out.

This ranking process requires the review of each decision package to assess its contribution to branch services and its comparative value with respect to other packages. The branch ranking process will intermingle decision packages from various decision units.

The final branch level ranking is documented by the manager on a Decision Package Ranking Sheet and submitted for divisional review and ranking along with copies of the Plan & Summary forms and related Decision Package Worksheets which were received from decision units.

After a division head receives decision packages arranged in priority order from each branch manager in the division, a divisional ranking process is begun. This divisional ranking process involves conferences between the divisional manager and branch managers to confirm or reset goals, objectives and commitments. Each decision package is reviewed in order to assess its contribution to the total program and its value compared to decision packages in other branches. The division ranking will produce an intermingling of decision packages from all branches and create a divisional hierarchy of decision packages which identifies alternative levels of divisional operation and funding. Divisional ranking may necessitate new agreements and adjustment of the original ranking of branch decision packages. Documentation of the divisional ranking is made on a Decision Package Ranking Sheet which includes a branch reference to each package.

6. Fitting Resource Allocations to Decision Package Ranking

The task in this step of the ZBB process is to decide on the decision packages which can be undertaken in priority order with the resources allocated or available to Ministry programs.

Cabinet decisions made early in the estimates process provide the Ministry with total resource allocations and expenditure guidelines. The Deputy Minister may assign a share of the total allocation to each program division after a review of divisional ZBB presentations, and division heads must then decide on expenditure allocations at the branch level. Alternately, the Deputy Minister may require a Ministry level ranking to be produced from the divisional presentations.

Senior management will determine, from the ranking summaries, those packages from each program which can be funded from the resources available. Aggregations of decision packages for branches and divisions will identify the resource allocations made to each branch or division to undertake prioritized packages.

Time lags between ranking decisions and resource allocations may make some resource trade-offs and fine tuning of decision packages necessary. Such actions may involve discarding incremental packages from one branch so that resources can be applied to another. Also, the last added incremental package of one or a number of branches may be modified to obtain resources for transfer to decision packages of branches which otherwise could not be accommodated.

This section has described the six ZBB steps by which Ministry managers will establish a results-oriented plan of resource usage for 1980/81. The plan will then be submitted to Management Board in the form of the annual estimates submission and after approval it will be monitored for results using the MBR systems described in the next section.

IV. 1980/81 MBR STEPS

This section describes each of the MBR steps which need to be taken by managers following completion of their ZBB planning.

1. Development of MBR Centres From ZBB Decision Units

ZBB decision packages to be funded from the branch resource allocation, were determined by drawing the budget line on the branch Decision Package Ranking Sheet (Form ZBB 3). At this stage, funding levels and output commitments of decision units within the branch were automatically defined by an aggregation of data in the decision packages undertaken by each decision unit.

A ZBB decision package is in essence a statement of objective, a quantification of the resource inputs needed to achieve the objective and a quantification of the outputs resulting from its achievement. Since the MBR reporting centres for 1980/81 must be aligned with the ZBB decision units within each branch, managers already have most of the data they require to establish their MBR systems.

Managers should ensure that their FDBS is set up in such a way that cost data is readily obtained for MBR reporting. Exceptions to the need for a FDBS cost centre alignment to ZBB/MBR units or centres may arise in such regional office activities as Retail Sales Tax, Assessment Field Operations and P.O.S.O. In these activities ZBB planning may be done by function for all branch offices and aggregated at the head office level.

The end result of step 1 is the identification of a set of MBR centres with each centre referenced to the ZBB planning data of functions, objectives, outputs and resources pertaining to the decision packages funded for the branch.

2. Definition of MBR Centre Result Indicators

Once MBR centres have been determined, the next step to be taken by managers in designing their 1980/81 ZBB-based MBR systems is to define the indicators which will show the results achieved by each MBR centre.

To ensure that MBR is an effective method of monitoring planned output and Ministry objectives, it is essential that the indicators of performance and results proposed from the use of resources in the ZBB process be the same as those indicators reported through MBR. If better indicators can now be developed for any area of output than were used in the ZBB process, they should be refined at this stage for inclusion in the MBR system. (Refer to Appendix A). Since ZBB "output" quantifications tend to be the raw number or incidence type, in this MBR step, performance measures may have to be defined for the first time.

The branch manager will use the output data recorded on the MBR centre's ZBB Plan & Summary form and Decision Package Worksheets and will define those result indicators which will be reported on a regular basis in the MBR system.

3. MBR Within the Branch

In this MBR step the branch manager needs to determine the report structures and the frequency of reporting which will be necessary within the branch.

Ministry policy requires each branch manager to provide quarterly MBR reporting to division and ministry management. A branch manager will, therefore, require reporting of MBR data from the MBR centre managers at least on a quarterly cycle. However, the branch manager should give serious consideration to more frequent lower level reporting. For example, reporting to the branch manager from certain MBR centres may be required on a monthly basis and it may be useful to have weekly reporting on some particularly sensitive performance indicators.

In addition to report frequency, there may be some difference in the volume and type of data reported to division and ministry management from that reported by MBR centre managers. For example, MBR centre managers may be required to plan and report on more result indicators than are included in branch-level reports.

The MBR system used within the branch is capable of providing explanations and back-up data to issues raised in branch-level reporting. It also can be useful in monitoring the ZBB plans established by MBR centre managers.

4. Selection of Result Indicators for Branch-Level Reporting

While all the MBR centre indicators referred to in step 3 may be displayed in branch reporting, it is usual for only a limited array of key indicators to be of interest beyond the branch level. Therefore, this step in designing the 1980/81 MBR system involves selecting those indicators which will be used in branch reporting to division and ministry management. Where selection is being made from a number of centre-level result indicators, it is essential to ensure that a reasonable balance is obtained between efficiency and effectiveness measures.

Step 4 also involves defining those result indicators which will be reported to reflect branch or program activity performance as a whole. These are of particular importance in reporting gross numbers to Management Board and developing presentations to Cabinet on policies and priorities. An example of a branch performance indicator is the taxes collected per dollar of total branch expenditure.

At this checkpoint in designing the MBR system, the branch manager should ensure that all the result indicators used for branch level reporting adequately reflect branch-level objectives and performance criteria.

5. Documentation of the MBR Plan and Reporting Format

Through the first four steps taken in designing the 1980/81 MBR system the branch manager will have established the following:

1. A set of MBR centres each identified in terms of its ZBB detail of functions, objectives, outputs and resources.
2. Definition of a number of result indicators in each MBR centre for planning and reporting.
3. Construction of MBR plans to be used only within the branch or program activity.
4. The array of MBR centre result indicators which will be planned and reported to division and ministry management on a quarterly basis together with the overall result indicators which will be planned and reported for the branch as a whole.

In this MBR step the manager will use the material and data developed in the previous four steps to document an annual plan and establish the format which will be used for reporting results compared to plan.

The form "1980/81 MBR Plan & Report" is a dual purpose form used both to document an annual plan initially, and thereafter to report on the results achieved.

Documentation of the Annual Plan

A branch manager will document a MBR plan for division and ministry management review by using a number of the MBR Plan & Report forms; one form for each MBR centre and one form for the branch as a whole. The following instructions describe completion of the form and documentation of the plan:

- (a) For the reporting period show "Annual Plan".
- (b) Head each page with branch name and the name of the MBR centre involved.
- (c) Provide the FDBS Account Serial Number (ASN) reference to be used in 1980/81.
- (d) Describe the functions and objectives of each MBR centre. This data was determined in step 1.
- (e) In the Result Indicators section, list those result indicators of each MBR centre and those for the total branch which will be reported against plan. These indicators were developed in step 4. The branch manager may wish to record separately the complete array of MBR centre result indicators which were established in step 3.
- (f) On each page, in the column headed Annual Plan, show the number, ratio, percentage, etc., at which the result indicator is planned or targeted *for the year*.
- (g) In the Resources section, show the man-years and expenditure allocated to each MBR centre and to the whole branch for the year. The resources of all MBR centres must total to the resources of the branch.

Reporting of Results Achieved

The pages of the 1980/81 MBR Plan & Report form used to document the planned results for the year also provide the format for reporting results against plan. The following procedure describes how a MBR report of results achieved will later be prepared from the annual plan documentation:

- (a) Make a copy of the annual plan documentation consisting of the 1980/81 MBR Plan & Report forms for each MBR centre and for the branch as a whole. Each page will show the functions, result indicators and resources which are planned for the year.
- (b) Describe the reporting period, for example, "For the quarter ended June 30".
- (c) For each result indicator and the resources employed, show the planned, actual and variance figures for the period of the report. Note that the period plan requires a calendarization of the annual plan or target figures for the resources and also for each result indicator which may have a seasonal variation.
- (d) Explain reasons for variance between actual and planned results.

V. ZBB AND MBR FORMS

1. ZBB Plan & Summary (Form ZBB 1. 80/81)
2. Decision Package Worksheet (Form ZBB 2. 80/81)
3. Decision Package Ranking Sheet (Form ZBB 3. 80/81)
4. MBR Plan & Report (Form MBR 1. 80/81)



Branch (Activity)			Decision Unit					
Preplanning Section			Summary Section					
Number of Packages			DP1	DP2	DP3	DP4	DP5	DP6
Functions (What the Decision Unit does - Objectives)								
1								
2								
3								
4								
5								
6								
7								
8								
Outputs (Related to the Functions and Objectives)								
1								
2								
3								
4								
5								
6								
7								
8								
Resource Requirements		Unit Totals						
Manpower (Man Years)								
Salaries								
Benefits								
Travel								
Services								
Supplies								
Package Totals (\$'000)								

Division (Program) _____		DECISION UNIT _____	
BRANCH (Activity) _____		Decision Package Number _____ of _____	
Vote and Item _____		Decision Package Level _____	
FUNCTIONS (What the package does and what its objectives are)			
Ongoing <input type="checkbox"/> New Initiative <input type="checkbox"/> Limited Duration <input type="checkbox"/>			
OUTPUTS (Related to functions and objectives)		MANPOWER	
Description	Quantity		Regular
			Overtime
		Classified	
		Contract	
		Temporary	
		Total	
		Annual Need	
		EXPENDITURE	\$'000
		Salaries	
		Benefits	
		Travel	
		Services	
		Supplies	
		Total	
		Annual Cost	
Alternatives to Package Considered		Consequence of Eliminating Package	
Technical Changes Required by Package		Related Decision Units and Activities	

Classified Staff Detail

Position Description	Classification	Number	Salaries
Totals			

Additional Data (Expansion of previous sections)
--

This image shows a single sheet of white paper with horizontal blue or grey ruling lines. The lines are evenly spaced and run across the width of the page. There is a vertical margin line on the left side, creating a narrow left margin. The paper appears to be from a notebook or a standard ruled document.

Division or Branch

[illegible]



REPORTING PERIOD

BRANCH (Activity)

MBR CENTRE (Decision Unit)

FDBS ASN

FUNCTIONS – OBJECTIVES

RESULT INDICATORS

Annual
Plan

For Reporting Period

Planned

Actual

Variance

RESOURCES:

Man-Years.....

Expenditure (\$000's)

REASON FOR VARIANCE IN RESULT PLANNED (use reverse if necessary)

VI. APPENDICES

A. Definition of Result Indicators,
Outputs and Performance Measures

B. The Existing 1979/80 ZBB/MBR Structure

APPENDIX A.

DEFINITION OF RESULT INDICATORS, OUTPUTS AND PERFORMANCE MEASURES

The terms "result indicator", "output" and "performance measure" tend to be used interchangeably in ZBB and MBR. However, there are differences which it will be helpful to clarify.

RESULT INDICATOR is the general term given to data which indicates or measures whether or not a planned objective is being met or the desired result is being achieved.

Result indicators are of two types:

OUTPUT - this is the raw number of things produced or processed or the incidence of certain things happening. Some examples of output numbers are: the number of audits performed; the dollars of taxes collected; the number of times deposits are not made before 11.00 a.m.

PERFORMANCE MEASURE - this is a ratio type measure of efficiency and effectiveness.

EFFICIENCY performance measures are usually ratios combining numbers with units of resource input or time. Examples are: audits per man year; people hired per year; pieces of mail delivered per day.

EFFECTIVENESS - performance measures tend to involve broader issues than simple output to input ratios and seek answers to such questions as: Is the quality satisfactory; Are objectives being achieved; Are deadlines being met.

Some raw number output quantities, especially the incidence-type numbers, can be proxy indicators of effectiveness, e.g., the number of documents in a typing backlog and the number of times that deposits are not being made before 11.00 a.m. More meaningful effectiveness indicators can be created in ratio or percentage form when combined with some other criterion or raw output quantity. For example, the number of documents in a typing backlog as a percentage of the total documents typed.

APPENDIX B

THE EXISTING 1979/80 ZBB/MBR STRUCTURE

<u>ESTIMATES</u> <u>VOTE AND ITEM</u>	<u>DECISION UNIT</u>	<u>MBR CENTRE</u>
801 <u>Ministry</u> <u>Administration</u>		
1. Main Office		
Minister's Office	• Minister's Office	• Minister's Office
Deputy's Office	• Deputy's Office	• Deputy's Office.
2. Analysis & Planning		
Finance & Priorities Planning Group	• Financial & Operational Analysis & Support • Research & Planning	• Financial/Operational Analysis & Support • Research & Planning
3. Legal Services	• Legal Services	• Legal Services
4. Audit Services	• Internal Audit	• Internal Audit
5. Financial Services		
Executive Director Support Services	• Executive Director's Office	• Executive Director's Office
Financial Services	• Management & Security • Review • Expenditure Processing • EDP Control • Reconciliation Payroll	• Management & Security • Review and Control • Expenditure Processing • EDP Control
6. Supply & Office Services	• Incoming Mail • Outgoing Mail • Printing • Messenger • Purchasing • Stores • Clerical Services • Typing • Accommodation	• Printing and Mail • Purchasing and Stores • Operational Services • Accommodation
7. Personnel Services	• Management • Labour Relations & Field Services • Organization & Classification • Staffing • Relocation Counselling • Training & Development • Clerical Support • IPPEBS	• Management • Personnel Services • Training & Development • Clerical Support

ESTIMATES
VOTE AND ITEM

DECISION UNITS

MBR CENTRES

801 Ministry
Administration ... cont'd

8. Information Services	<ul style="list-style-type: none"> ● Communications Advisor ● Library 	<ul style="list-style-type: none"> ● Communications Advisor ● Library
9. Systems Development Services		
Management Systems	<ul style="list-style-type: none"> ● Management ● Administration ■ Planning ● Technical Support ■ Business Systems ■ Information Centre ■ Corporations Tax ■ Retail Sales Tax ■ Gasoline Tax ■ Assessment ■ Succession Duty ■ G.I.T.C. ■ Support Services 	<ul style="list-style-type: none"> ● Management ● Administration ● Planning ● Technical Support ● Business Systems ● Information Centre ● Computer Systems Development
10. Relocation Project		
Relocation Unit	<ul style="list-style-type: none"> ● Project Team 	<ul style="list-style-type: none"> ● Project Team.

802 Administration
of Taxes

1. Main Office	<ul style="list-style-type: none"> ● Administration ■ Appeals ● Planning 	<ul style="list-style-type: none"> ● Appeals ● Planning
2. Special Investigations	<ul style="list-style-type: none"> ● Administration ● Investigations ● Development 	<ul style="list-style-type: none"> ● Administration ● Investigations ● Planning & Development
3. Revenue Research	<ul style="list-style-type: none"> ● Administration ■ Taxation & Legislation ■ P.O.F. ■ Impact Analysis & Project Design ■ Revenue Reporting & Analysis 	<ul style="list-style-type: none"> ● Administration ● Tax Design & Legislation ● Tactical Support Unit ● Impact Analysis & Project Design ● Revenue Reporting & Analysis

ESTIMATES
VOTE AND ITEM

DECISION UNITS

MBR CENTRES

802 Administration
of Taxes

4. Corporations
Tax

- | | |
|--------------------------------|---------------------------|
| • Dressing | • Dressing |
| • Screening | • Screening |
| • F.D.A. | • Financial Data Capture |
| • Investigations | • Investigations |
| • Cancellation | • Cancellations |
| • Collections | • Collections |
| • Default | • Default |
| • Land Tax | • Land Tax |
| • Assessments | • Assessments |
| • Refunds | • Refunds |
| • Correspondence | • Correspondence |
| • Liens | • Liens |
| • Non-Discretionary Audit | • Non-Discretionary Audit |
| • Discretionary Field
Audit | • Field Audit |
| • Discretionary Desk
Audit | • Discretionary Audit |
| • Interpretation | • Interpretation |
| • Legislative Policy | • Legislative Policy |
| • Input Control | • Input/Output Control |
| • Filing | • Filing |
| • Microfilming | • Microfilming |
| • Office Services | • Office Services |
| • EDP Planning | • Planning |
| • EDP Liaison | • EDP Liaison |
| • Word Processing | • Word Processing |
| • Management | • Management |
| • Bulletins | • Bulletins |
| • EDP Investment | • EDP Development |
| • Data Entry | • EDP Maintenance |
| • Miscellaneous | • EDP Production |
| | • Miscellaneous |

ESTIMATES
VOTE AND ITEM

DECISION UNITS

MBR CENTRES

802 Administration
of Taxes ... cont'd

5. Gasoline Tax	<ul style="list-style-type: none"> • Administration • Operational Design • Policy Design & Support • Returns Processing • Refunds • Audit • Inspection • EDP Investment 	<ul style="list-style-type: none"> • Administration • Operational Design • Policy Design & Support • Returns Processing • Refunds • Audit • Inspection • EDP Investment • Collections
6. Succession Duty	<ul style="list-style-type: none"> • Administration • Support Services • Revenue Generation • Revenue Control (SD & GT) • Revenue Control (LT) • Interpretations & Taxpayer Services • Legislation & Planning 	<ul style="list-style-type: none"> • Administration • Support Services • Revenue Generating • Revenue Control (SD & GT) • Revenue Control (Business Valuation) • Revenue Control (LT) • Interpretations & Taxpayer Services • Legislation & Planning.
7. Retail Sales Tax	<ul style="list-style-type: none"> • Administration & Management • Audit Policy • Registration Policy • Technical Training • Audit • Delinquency • Services • Surveillance • District Office Administration • Systems Development • Systems Maintenance • Computer Operations • Processing • Tax Roll • Data Control • Planning & Control • Organizational Development • Administrative Services • Tax System Design • Tax Advisory Services (Hard Information) • Tax Advisory Services (Soft Information) 	<ul style="list-style-type: none"> • Administration & Management • Audit Policy • Registration Policy • Technical Training • Dist. Office - Audit <ul style="list-style-type: none"> - Delinquency - Services - Surveillance - Dist. Office Administration • Systems Development • Systems Maintenance • Revenue Processing <ul style="list-style-type: none"> - Computer Operations - Processing - Tax Roll - Data Control • Planning & Control including Organizational Development • Administrative Services • Tax System Design • Tax Advisory Services • Information Services

ESTIMATES
VOTE AND ITEM

DECISION UNITS

MBR CENTRES

803 Guaranteed Income
& Tax Credit

1. Administration

- | | |
|---------------------------------|-----------------------------------|
| • Administration | • Senior Management |
| • General Admin. Services | • General Admin. Services |
| • Managers | • Planning Development & Control |
| • Policy Desing (Planning) | • Tax Design & Legislation |
| • EDP Liaison | • Systems Maintenance |
| • Legislation/ Tax Specialist | • Feedback |
| • F.D.A. | • Information |
| • Information/ Public Relations | • Services |
| • Enquiries | • Return & Application Processing |
| • Revenue Generating/ Analysts | • Disbursements |
| • Accounts | • Data Storage & Retrieval |
| • Input/Output Control | • Revenue Control/ Analysis |
| • Filing | • Audit |
| • Revenue Control/ Audit Plan | • EDP Production |
| • Desk Audit | • EDP Maintenance |
| • Field Audit | • EDP Development |
| • EDP Investment | |
| • EDP Production | |
| • EDP Maintenance | |
| • EDP Development | |

804 Municipal
Assessment

1. Administration

- | | |
|------------------|------------------|
| • Administration | • Administration |
|------------------|------------------|

2. Assessment Standards

- | | |
|---|---|
| • Administration | • Administration |
| • Neighbourhood Assessment | • Neighbourhood Assessment |
| • Research | • Research |
| • Information Services & Field Assistance | • Information Services & Field Assistance |
| • Training | • Training |

3. Assessment Field Operations

- | | |
|---------------------------|---------------------------|
| • Office Management | • Office Management |
| • Enumeration | • Enumeration |
| • Property Identification | • Property Identification |
| • Valuation | • Valuation |
| • Apportionment | • Apportionment |
| • Information Services | • Information Services |
| • Section 86 Reassessment | • Section 86 Reassessment |

S. Province of Ontario
Savings Office

S. Administration

- | | |
|---------------------|---------------------|
| • Branch Operations | • Branch Operations |
| • Administration | • Administration |
| • Inspections | • Inspections |
| • On-Line Banking | • On-Line Banking |

